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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/818,084	03/26/2001	Michael E. Graves	026970-004210US	2846
20350 7590 01/12/2009 TOWNSEND AND TOWNSEND AND CREW, LLP TWO EMBARCADERO CENTER EIGHTH FLOOR SAN FRANCISCO, CA 94111-3834				
EXAMINER				
WORJLOH, JALATIE				
ART UNIT		PAPER NUMBER		
3685				
MAIL DATE		DELIVERY MODE		
01/12/2009		PAPER		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/818,084

Applicant(s)

GRAVES ET AL.

Examiner

Jalatee Worjloh

Art Unit

3685

Period for Reply -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 23 May 2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 35-58 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 35-58 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Response to Amendment

1. This Office Action is responsive to the amendment filed October 27, 2008.
2. Claims 35-58 are pending.

Response to Arguments

3. Applicant's arguments filed October 27, 2008 have been fully considered but they are not persuasive.
4. Applicants argue that the Office Action fails to show where receiving a selection of first payment instrument from the buyer. In response, the Examiner notes that Gifford teaches this feature is figure 4. That is, Gifford allows the user to select which card to use for the transaction.
5. Applicants argue Gifford does not expressly disclose linking the PKI key pair to at least a first payment instrument. However, the Examiner respectfully disagrees. The smart card of Gifford is linked to a key (see col. 10, lines 64-66).
6. Applicants argue that Gifford does not teach receiving a selection of one of the plurality of payment instrument because there is no suggestion that the payment type is linked to the buyer's PKI pair, or that a buyer can be authorized to use the payment type. Additionally, Applicants assert that providing an account number is not selecting a payment instrument as recited in the claims. The Examiner respectfully disagrees. It is true that the buyer in Gifford selects the payment instrument and the account to use for the transaction. If the user is authenticated and his funds verified then the transaction is authorized.
7. Applicants argue that the step of sending data from the buyer profile to the buyer over the network is not an inherent step. However, the Examiner respectfully disagrees. Gifford teaches a

user receiving a certificate, which is used for pre-authorization from the payment computer (see col. 7, lines 40-54); the payment computer has several databases relating to the user (see col. 8, lines 1-7). Notice, in Gifford, the certificate and the user payment order is sent to the merchant. Thus, before selecting the payment method and address information, the buyer is provided with at least the certificate.

Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claims 35, 37-42, 44-49, 51-58 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6205437 to Gifford in view of U.S. Publication NO. 2004/0243520 to Bishop et al. ("Bishop") and US Publication NO. 2001/0044787 to Shwartz et al. ("Shwartz")

Referring to claims 35 and 42, Gifford discloses a payment authorization service, storing a public key associated with a public key infrastructure (PKI) key pair in a profile database (see col. 10, lines 37-42 – at the payment computer, the public key corresponding to each sender is kept in a database), linking the PKI key pair to at least a first payment instrument (see col. 10, lines 48-67; col. 11, lines 1-7 - the smart card including a secret key is used to sign the payment order), in response to receiving an authentication request from the buyer over a network, the authentication request including a description of the payment transaction and an identity of a seller (see col. 6, lines 16-32), the seller separate from the payment authorization

service (see Fig. 1, items 63 & 68), receiving a selection of the first payment instrument from the buyer (see fig. 4 and related text) storing a digitally signed record of the payment transaction in a transaction archive, i.e. "transaction database" (see col. 8, lines 16-19), notifying the seller that the buyer is authorized to the first payment instrument (see col. 6, lines 54-65 & fig. 6, items 27-29). Gifford does not expressly disclose sending a challenge request to the buyer over the network, the challenge request including a summary of the payment transaction, in response to receiving a challenge response from the buyer over the network, the challenge response including summary of the payment transaction digitally signed by the buyer, determining that buyer has access to the private key and that the buyer is authorized to use the first payment instrument by using the public key to decrypt the digitally signed message. Bishop discloses sending a challenge request to the buyer over the network, in response to receiving a challenge response from the buyer over the network, the challenge response including summary of the payment transaction digitally signed by the buyer, determining that buyer has access to the private key and that the buyer is authorized to use a first payment instrument by using the public key to decrypt the digitally signed message (see paragraphs [0094] & [0095]). Shwartz discloses the challenge request including a summary of the payment transaction (see paragraphs [0182]-[0184]). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method of Gifford to include the features taught by Bishop and Shwartz because it protects the network server from attacks and improve the ease and safety of electronic commerce for consumers (see Bishop & Shwartz).

Referring to claims 37, 44 and 51, Gifford discloses the method wherein the record of the payment transaction is digitally signed using the private key (see col. 10, lines 43-45).

Referring to claims 38, 45 and 52, Gifford discloses the method wherein the record of the online transaction is digitally signed using a local private key (see col. 10, lines 48 & 49).

Referring to claims 39, 46 and 53, Gifford discloses the method wherein the public key is stored in the form of a digital certificate representing that the public key is tied to the buyer (see col. 7, lines 44-46).

Referring to claims 40, 47 and 54, Gifford discloses several databases including account database storing account information and an address database storing shipping address information (see col. 8, lines 12-24 and 33-36) . Gifford also discloses receiving a selection of one of the plurality of payment instruments (i.e. "means of payment") and one of the plurality of shipping addresses from the buyer over the network (see col. 5, lines 34-50; col. 8, lines 33-35). Gifford does not expressly disclose retrieving a buyer profile from the database, the buyer profile being linked to the PKI key pair and including a plurality of payment instruments and a plurality of shipping address and sending the buyer profile to the buyer over the network; however, these are inherent steps. Before selecting the method of payment and address information, the buyer must first be provided with his profile.

Referring to claims 41,48 and 55, Gifford discloses processing the payment transaction via a payment gateway (i.e. "payment computer") see col. 6, lines 12-14.

Referring to claim 49, Gifford discloses a profile database, i.e. account database and address database, transaction archive, i.e. settlement database" (see col. 7, lines 66-67 & col. 8, lines 1-7) an authentication service web server (i.e. "payment computer") coupled to the profile database, the transaction archive and the network, the authentication service web server adaptively configured to (see col. 4, lines 46-55) store a public key associated with a public key

infrastructure (PKI) key pair in a profile database (see col. 10, lines 37-42), in response to receiving an authentication request from a buyer over a network, the authentication request including a description of the payment transaction and an identity of a seller (see col. 6, lines 16-32), receive a selection of the first payment instrument from the buyer (see fig. 4 & related text) store a digitally signed record of the payment transaction in a transaction archive, i.e. "transaction database" (see col. 8, lines 16-19) and storing a digitally signed record of the payment transaction in a transaction archive, i.e. "transaction database" (see col. 8, lines 16-19), notifying the seller that the buyer is authorized to the first payment instrument (see col. 6, lines 54-65 & fig. 6, items 27-29). Gifford does not expressly disclose the web server adaptively configured to send a challenge request to the buyer over the network, the challenge request including a summary of the payment transaction to be displayed to the buyer then digitally signed by the buyer using a private key associate with the PKI key pair, or in response to receiving a challenge response from the buyer over the network, the challenge response including the digitally signed summary of the payment transaction, determine whether the buyer has access to the private key by using the public key to decrypt the digitally signed summary of the payment transaction. Bishop discloses sending a challenge request to the buyer over the network, the challenge request message to be displayed to the buyer then digitally signed by the buyer using a private key associate with the PKI key pair, or in response to receiving a challenge response from the buyer over the network, the challenge response including the digitally signed message, determining whether the buyer has access to the private key by using the public key to decrypt the digitally signed message (see paragraphs [0094] & [0095]). Shwartz discloses the challenge request including a summary of the payment transaction (see paragraphs [0182]-

[0184]). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Gifford to include the steps of the web server adaptively configured to send a challenge request to the buyer over the network, the challenge request including a summary of the payment transaction to be displayed to the buyer then digitally signed by the buyer using a private key associate with the PKI key pair, or in response to receiving a challenge response from the buyer over the network, the challenge response including the digitally singed summary of the payment transaction, determine whether the buyer has access to the private key by using the public key to decrypt the digitally signed summary of the payment transaction. One of ordinary skill in the art would have been motivated to do this because it protects the network server from attacks and improve the ease and safety of electronic commerce for consumers (see Bishop & Schwartz).

As per claims 56-58, the combination of Gifford, Bishop, and Schwartz disclose these features (see claim 35 & 42 above).

10. Claims 36,43 and 50 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gifford, Bishop et al. and Schwartz et al. as applied to claims 35, 42 and 49 above, and further in view of US Publication NO. 2001/0014158 to Baltzley.

Gifford discloses PKI key pair (see claims 35 and 42 above). Gifford does not expressly disclose creating the PKI key pair, and sending the private key to the buyer over the network. Baltzley discloses creating the PKI key pair (see paragraph [0010], and sending the private key to the buyer over the network (see paragraph [0011]). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Gifford to include the steps of creating the PKI key pair, and sending the private key to the buyer

over the network. One of ordinary skill in the art would have been motivated to do this because it prevents fraud by providing additional security.

Conclusion

11. Functional recitation(s) using the word “for” or other functional language (*e.g.* “adapted to” in claim 54) have been considered but are given little patentable weight¹ because they fail to add any structural limitations and are thereby regarded as intended use language. A recitation of the intended use of the claimed product must result in a structural difference between the claimed product and the prior art in order to patentably distinguish the claimed product from the prior art. If the prior art structure is capable of performing the intended use, then it reads on the claimed limitation. *In re Casey*, 370 F.2d 576, 152 USPQ 235 (CCPA 1967) (“The manner or method in which such machine is to be utilized is not germane to the issue of patentability of the machine itself.”); *In re Otto*, 136 USPQ 458, 459 (CCPA 1963). See also MPEP §§ 2114 and 2115. Unless expressly noted otherwise by the Examiner, the claim interpretation principles in this paragraph apply to all examined claims currently pending.

12. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period

¹ See *e.g. In re Gulack*, 703 F.2d 1381, 217 USPQ 401, 404 (Fed. Cir. 1983)(stating that although all limitations must be considered, not all limitations are entitled to patentable weight).

will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jalatee Worjloh whose telephone number is 571-272-6714. The examiner can normally be reached on Monday - Friday 10:00 - 6:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Calvin Hewitt II can be reached on 571-272-6709. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Jalatee Worjloh/
Primary Examiner, Art Unit 3685